

State of Michigan's Proposal Integrated Care for People who are Medicare-Medicaid Eligible

Submission of Notice of Intent to Apply (NOIA)

Organizations intending to participate in the procurement process to become management entities for Michigan's integrated care initiative should take note of important deadlines that have been established by the Centers for Medicare and Medicaid Services (CMS). "Management entities" refers to organizations that would contract with the state to serve the duals population as Integrated Care Organizations (ICOs) covering physical health and long term care supports and services or Prepaid Inpatient Health Plans (PIHPs) covering behavioral health and services for persons with substance use disorders. Management entities that are successful bidders would participate in a three way contract involving themselves, the state and the federal government.

MSA recommends that any organization that intends to participate in the procurement process submit a Notice of Intent to Apply (NOIA) by not later than April 2, 2012. Please refer to information contained in the attached guidance letter from CMS dated January 25, 2012. In that correspondence, CMS indicates the following:

"This notice of intent to apply (NOIA) process is non-binding, but it is a necessary step for any interested organization. Therefore, we encourage any interested organization to participate in this process consistent with demonstration planning underway in each State. While interested organizations may submit a NOIA earlier, an interested organization that does not meet the **April 2, 2012** NOIA submission deadline will not be permitted to operate a demonstration plan in 2013."

Section VI on page 12 of the CMS guidance provides information regarding submission of this non-binding NOIA. In the information provided, CMS indicates that, "Completion of this tool is required in order for interested organizations to obtain the necessary system access to meet the key deadlines." Completion of the NOIA provides access to the CMS Health Plan Management System (HPMS). Access to HPMS is necessary to meet other deadlines including the "Part D formulary submissions due to CMS for interested organizations that are submitting a new formulary (e.g., those that have not submitted a formulary for CY 2013 for non-demonstration plans)."

MSA recommends that organizations proceed with the NOIA, even though there are matters yet to be negotiated with CMS that generate uncertainty in regard to timing and submission requirements. Specifically, it is not clear at this point when the initial phase of integrated care will be implemented in Michigan, and consequently all of the subsequent phases that would follow. CMS has indicated verbally that participation of any management entity at any point during calendar year 2013 requires compliance with the NOIA requirement that establishes an April 2, 2012 deadline. CMS has also indicates in the January 25 guidance that potential management entities will likewise need to submit a Part D formulary by April 30. However, in light of uncertainty as to when implementation will occur; the state is seeking additional clarification from CMS with regard to that mandate. The state is also seeking guidance regarding whether CMS will require PIHPs to submit a Part D formulary, given that under the proposed two contract arrangement, the Part D benefit will be administered by the ICO.

Additional guidance will be provided by the state as it becomes available. It is also strongly recommended that each interested organization individually monitor communications from CMS for further technical guidance and steps that will be required for participation. Information will also be posted on the MDCH Integrated Care web site.